GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2024
ANSWERED ON:01.12.2000
HAWALA TRANSACTION
AJAY CHAKRABORTY;ARUN KUMAR

Will the Minister of FINANCE be pleased to state:

(a) whether the Hawala Transactions have gone up several folds since FERA was repealed;

(b) if so, the details thereof;

(c) whether the Government`s attention has been drawn into the view expressed by the Enforcement Directorate Officials that FEMA was not strong enough to deter hawala operations and Government have to bring about changes in the present Act to strengthen if further; and

(d) if so, the details thereof and the Government`s reaction thereto ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) Hawala is illegal transaction of money and there cannot be any accurate assessment of such an activity.

(b) Does not arise.

(c) & (d) : There is constant interaction of Government with the field formations and any operational difficulties in a new Act like FEMA will be subject to a continuous review to optimise the effectiveness of the Act.